GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:4465
ANSWERED ON:19.12.2001
ACCUMULATION OF CASH
ARUN KUMAR

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether due to deficient cash management and lack of concrete utilisation plan Mission/Posts in Iran have accumulated huge amount of cash whose interest value is steadily falling;

(b) if so, the amount of cash accumulated in the Mission as on date and the amount of loss suffered by the Mission/Post in Iran during the last three years due to fall in value of the money;

(c) the position of currency in USA after September 11, 2001 with respect to as stated above and the corrective measures the Government has taken or propose to take in this regard;

(d) whether the Embassy of India in Athens has incurred unauthorised expenditure on payment of pay and allowances to a local employee who continued in service irregularly for seven years beyond the date of her superannuation;

(e) if so, whether the responsibility of anyone in this regard has been fixed;

(f) if so, the details thereof; and

(g) the corrective steps taken or proposed to be taken in our Missions/Posts abroad to avoid recurrence of such things?

Answer

THE MINISTER OF EXTERNAL AFFAIRS (SHRI JASWANT SINGH)

(a) and (b) The Indian Mission/Posts in Iran receive local currency by way of consular receipts, receipts of pensionary payments and legal dues etc. Under the local laws, the local currency is non-convertible and non-repatriable. Over a period of time these reserves have accummulated and with the fall in the value of the local currency (Iranian Rials) vis-a-vis US dollars/Indian Rupees, the accummulated balance in Rupee/Dollar term with the Indian Mission/Posts in Iran has come down.

(c) Fluctuation in the exchange rate of the local currency with regard to U.S. dollar has not been significant after the September 11, 2001.

(d), (e) and (f) Yes, Sir. An Audit Report held that the Mission incurred an expenditure on pay and allowances of a local typist which had not been authorized by the Ministry. According to the Mission it was essential to have the services of a typist in the Mission during the period mentioned in the Audit Report. The services of the local typist have since been terminated.

(g) All the Missions / Posts abroad have been directed by the Ministry to strictly adhere to the instructions relating to service matters of locall recruited staff and avoid incurring unauthorized expenditure.